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Articles

**LABOUR PROBLEMS IN
RHODESIA**

Contributors

Two Trade Union Viewpoints

P. F. Sithole

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LABOUR PROBLEMS IN RHODESIA: A TRADE UNION VIEWPOINT

P. F. SITHOLE

I have been invited to address this symposium on labour problems in Rhodesia from the point of view of an African trade unionist, but although my primary concern is with the well-being of the members of our trade unions, I find it impossible to divorce the problems that trade union members face from those faced by the whole of Rhodesia's African population. Labour problems originate out of the entire economic structure of the country, and cannot be adequately discussed on a sectional or piecemeal level. My paper will therefore attempt to survey the problems insofar as they affect all African workers in the country, and suggest ways and means by which we can mount a comprehensive offensive against these serious and urgent problems.

I. The Basic Problem: Structural Malformation

The wage sector of the economy is of paramount importance as an employer of African workers. In March of this year, an estimated 824 000 workers, or approximately sixty per cent of the adult male African population were employed in this sector, although 331 900 of these were working on the farms in the White areas.(1) In 1971, African labourers earned an estimated \$244 million, an amount of great importance to the dependent households, and to the economy as a whole. The contribution of African workers to the country's economic welfare is fundamental, and the problems associated with employment conditions are therefore very important to all sectors of our community.

However, despite the fact that large numbers are employed and that their aggregate earnings are substantial, it is fairly safe to say that this employment is, from the point of view of the individual worker, highly unstable, and the conditions under which the vast majority of the workers are employed are most unsatisfactory.

In June of 1971, a survey conducted by the Central Statistical Office (2) revealed that 35 per cent of those workers employed received a cash wage of less than \$10 per month, and a further 39 per cent received between \$10 and \$30. Over 90 per cent earned less than \$50, an amount which almost certainly is inadequate to maintain a family in decent living conditions. Apart from wages, other conditions of employment need to be considered. The housing situation is highly unsatisfactory. The townships are overcrowded, and the fact that many workers are forced either to lodge, or if they are fortunate enough to have been allocated a house, to take in lodgers to supplement the meagre earnings that they are able to glean from employers, means that family life deteriorates, and workers regard the townships as unsuitable as areas in which to raise families. The pension schemes that operate cover a very small proportion of the work-force, and are such that an even smaller number can look forward to retirement on the proceeds of pensions accumulated during a life time of toil in industry. There is no adequate system of social security, and the threat of unemployment, resulting even by chance out of accident, is a very real one that haunts workers constantly.

The conditions in the Tribal Trust Lands, however, are even worse, and there is a constant drift to the towns as the rural people seek wages as a supplement to their low incomes which have been declining on a *per capita* basis for

more than a decade.(3) Despite what Mr. Dawson's calculations and statistical manipulations tell him,(4) the vast numbers of unemployed Africans pose an immediate and very real threat not only to the subsistence sector and the economy but also to those who are employed. This increases the instability which workers associate with urban employment. The net effect of these conditions is that Africans are unable to identify permanently with urban industrial employment, a situation which must restrain the growth and development of the industrial sector, decrease productivity and place an added burden on the already impoverished and over-populated rural areas.(5) Africans are forced, by the circumstances I have described, to regard the rural subsistence sector as the ultimate source of social security in the event of retirement or unemployment, and yet in the interim period during which they seek urban industrial employment there is the expectation that they should adapt to behavioural patterns more typical of an industrial working class. Employers and the government seem to regard the African Areas as a convenient reservoir of labour, from which they can draw with impunity and at convenience to satisfy their current labour requirements. This is a dangerous attitude, and one that will ultimately seriously restrict broadly-based and balanced economic development in our country.

The bulk of Rhodesia's African population live in the rural areas and it is therefore vital for the economic and social welfare of the country that the income and employment prospects in these areas be radically improved. However, the African rural areas as presently designated under the Land Tenure Act are themselves over-burdened with dependents, and there is little prospect for an improvement in production from these areas unless there is a relief of population pressure, higher public sector investments in the rural economy, a rationalisation of production methods, and a socio-economic stabilisation of those sectors of the population who would be displaced by agricultural reform. Thus, the developed areas should be geared to assist in the creation of a rural environment suited to fuller development and increased productivity. This does not mean, however, that the developed areas themselves should be regarded as the only important growth points. Rather, it is absolutely essential that rural incomes rise at a rate at least equal to the rate of growth of incomes in the towns. It is therefore somewhat alarming that employment conditions and real earnings in the agricultural sector have deteriorated to such an extent.(6) The growing disparity between the incomes of African workers in the towns and in the rural areas is in part a consequence of the lack of suitable policies geared to the protection of African employees in the agricultural sector. The attractiveness of urban incomes has caused the unemployed youth of the country to flock to the towns, and this has created concentrated pockets of unemployment. The resultant overcrowding, poverty and discontent reinforces the desire of those actually employed to return ultimately to retirement in the rural areas. The point I wish to make is not that there should be no improvement in the working conditions in industry, but rather that such improvement, unless accompanied by positive steps to stabilise rural incomes, employment and welfare will never really solve our more basic problems. What is needed, is a growing industrial sector structured to enable maximum growth in employment opportunities, and capable of paying wages suited to the creation of a permanent and stable industrial working class. This sector would then be used as an avenue through which population pressures that emerge out of a programme of agricultural reform could be channelled. The threat of a displaced rural proletariat can only be avoided if the industrial sector offers permanent

domicile to African workers. However, policies to secure this type of structure are almost totally lacking in Rhodesia. There is the alarming tendency for the ruling party to regard the industrial sector as a self-contained unit as far as employment is concerned.

Workers in industry are viewed essentially as migrants, their employment is seen as temporary, and the rural areas are expected not only to ultimately absorb returning workers at the end of their industrial working lives, but also to act as an 'accommodation mechanism' for labour not required in the modern sector.(7) The extra dependents whom the rural areas are forced to cater for reinforce the problems associated with basic subsistence, improving standards of living and comprehensive and successful agricultural reform. The entire process of economic development is frustrated and a large sector of the society becomes increasingly impoverished. The resulting situation is unsatisfactory for the workers and it must ultimately endanger the stability of the economy itself. It can only be solved by comprehensive reform, involving an increase in the employment generating capacity of the industrial sector, a removal of restrictions on the upward mobility of African employees in the modern sector and positive measures designed to increase the productive capacity of the rural areas.

II. Remedies: A General Statement

The employment capacity of the industrial sector can only be expanded by the dual expedient of increasing the technical training facilities available to all levels of skill and adopting revised methods of production enabling a larger number of semi-skilled workers to be employed in the productive process. Technical training is and must continue to be a responsibility of government. It is incomprehensible to me how a government, supposedly acting in the interests of all of the people in the country, can justify a policy under which manpower requirements are continuously met through immigration in a situation in which there is both widespread unemployment and a shaky economic foundation to the immigration policy.(8) If industry is expanding in such a way that employment opportunities are being developed for our people, the failure to take steps to equip these people to fill the available vacancies is, in my opinion, very short-sighted and a serious error of judgement. The system by which European artisan groups, assisted by Government policy, have resisted what is emotionally called "job fragmentation", has further inhibited the development of a broadly-based technical training programme. "Job fragmentation" is often used as a phrase designed to discredit what in reality is nothing more than the adoption of techniques more suited to our situation in which we have a relative abundance of labour. The plea for the "maintenance of standards" is little more than a shallow attempt of a self-interested worker group to bolster up outdated privileges when these cannot be maintained in the face of honest productive competition. I would like to assure the European artisan group that their place in industry is not being challenged. I do not suggest that these skilled workers should be replaced, but rather that they should find their place in the re-defined technical hierarchy of modern industry. The skilled technician-artisan is indispensable, but not within the outdated craft concept of industrial arrangement. What is needed is the adoption of training techniques capable of producing skills suited to the changing pattern of industrial technology, and in this system the higher technical skills will grow in importance. But in the final analysis, if the European artisan is to retain his present privileged position he must rely on his productive capacity, and should not expect protec-

tion behind artificial barriers erected by industrial councils as a means of effecting a permanent guarantee of highly paid employment.

I do not think that I am being either radical or unrealistic in calling for the adoption of rational and modern productive methods, and for training facilities geared to serve those methods, but I would at this stage come back to my earlier point; namely, that industrial reform must be viewed as a supplement to, and must be accompanied by, agricultural reform.

In very broad terms, official efforts with regard to agricultural development have been incomplete and ineffective.⁽⁹⁾ There is no formal comprehensive development programme around which efforts may be focussed. There is little attention being given at present to a broadly based incomes or employment policy. On the European farms, workers are denied fundamental rights of collective bargaining, and this is justified by reference to the fact that their conditions of employment are regulated by the Master and Servants Act. It is interesting and sad to note that the basic features of this legislation were originally introduced in the Cape Province of South Africa in 1856, were adopted for Rhodesian use in 1891 and were probably somewhat antiquated even then. The Master and Servants Act is totally unsatisfactory as the basis on which to cater for a large work-force in a country claiming to be both modern and progressive.⁽¹⁰⁾ It is an insult to African workers that they should be denied basic human rights of association on the spurious grounds that they are better served by a paternalistic system under which wages are set unilaterally. Both the working conditions and real earnings on these farms have deteriorated to such an extent that many work-seekers would rather face the prospect of unemployment in the towns with the hope, however faint, of eventually gaining some employment, than the certainty of sustained poverty on the farms. It is not surprising, therefore, that the Rhodesian African Labour Supply Commission continues to act as a labour recruitment bureaux for this sector. I have already described how dangerous the situation is for the stable development of the economy, but I am amazed and dismayed that much of the comment offered on the problem is more often directed against the reluctance of African workers to enter such employment than towards concrete measures designed to improve worker productivity and thereby bolster wages.

In the rural areas, the efforts of TILCOR, amongst others, are perhaps best described as "patchy". I do not mean to criticize specifically the actual methods employed by the officials of that organisation, since they are operating with limited financial resources in something of a developmental vacuum. My basic objection is to the entire concept of TILCOR as a suitably financed, technically equipped and sufficiently substantial vehicle for effecting development in the TTLs. The total investment in that organization, standing in stark contrast to tobacco subsidies,⁽¹¹⁾ is symptomatic of the actual level of development effort and suitably reflects the inadequacy of that effort.

III. Remedies: Positive Policy Suggestions

I am fully aware, in suggesting possible policy measures that might be taken to overcome these serious labour problems of one important governing principle. That is that no single group or institution should in itself be expected to undertake desired reforms. The effort required must inevitably involve a concerted joint approach by the state, by employer organisations and by worker groups.

With this principle in mind, I would suggest that the following measures

might go at least some of the way towards solving our current labour problems.

(i) It is necessary, by establishing a pension and social security system, to encourage the formation of a permanent, stable, urban industrial working class, relating to an industrial life-style and active in the promotion of new working and recreational habits.

(ii) The employment generating capacity of the industrial sector must be increased, particularly in regard to the local population, by the provision of training facilities for local persons in preference to the policy of importing required skills, by extending the coverage of such training facilities, and by adopting modern productive methods capable of being performed by workers with an intermediate level of skill under the overall supervision of more skilled technicians. The methods where possible should be labour-intensive and training facilities should be sufficiently flexible to cater for new or changed production methods.

(iii) A comprehensive and detailed programme for reforming the productivity of labour in both European and African areas should be implemented, but it must be realised that such a programme would have to be integrated with other developmental initiatives in the economy, that it would involve considerable expense and that effective reform may only be achieved with some sacrifice in the rate of growth of the centralised industrial complexes. None of these factors should prejudice the adoption of such a programme, which would have to be viewed from the point of view of benefits secured in the long run.

(iv) The stabilisation of the working population can only be achieved if wage rates allow for a decent standard of living for all workers in the country. We, in the trade union movement, have long felt the need for the establishment of some minimum level of wages that would be regarded as necessary according to some objective measure, and are at present pursuing initiatives into the establishment of a poverty datum line.⁽¹²⁾ I do not intend to speculate over the level at which such a line would eventually be drawn, but in the absence of a fuller study, I would suggest that no worker is able to maintain a family on less than \$15 per week at today's prices. We should be aiming at this wage rate as a minimum for all workers within a short time period, and it is a wage that could be paid by employers in commerce and industry provided that they took proper initiatives to introduce new and improved methods of production. For too long in Rhodesia, labour has been forced to take up the slack of managerial inefficiencies, and when employers have been faced with inadequate or declining profit margins, they have not turned to improvements in internal efficiency or to methods for boosting productivity, but have rather taken the easy way out by restraining the rate of advance of wages. This situation must end if Rhodesia is to aspire eventually to the full development of internal markets for her industrial output.

(v) In the final analysis, a number of diverse policy measures have to be co-ordinated in a single comprehensive development programme, and although such a step appears distant from current government thinking on the matter, I offer it as perhaps the only way by which Rhodesia's labour problems can be effectively solved in the shortest possible period of time.

FOOTNOTES

¹Rhodesia, *Monthly Digest of Statistics*, C.S.O., Salisbury, August, 1972.

²*Wage Distribution of African Employees*, June, 1971, C.S.O. DL/599/500, unpublished.

³See R. B. Sutcliffe, "Stagnation and Inequality in Rhodesia 1946-1968", *Bulletin of The Oxford*

University Institute of Economics and Statistics, Vol. 33, No. 1, February, 1971.

⁴R. Dawson, "Towards a Better Understanding of Manpower Supply in Rhodesia", *Arni Congress Symposium Papers*, 1972. For a sound academic and practical refutation of Dawson's arguments consult A. M. Hawkins, "How Much African Unemployment?", *Rhodesian Journal of Economics*, Vol. 6, No. 3, September, 1972.

⁵Harry Dunlop, "Land and Economic Opportunity in Rhodesia", *Rhodesian Journal of Economics*, Vol. 6, No. 1, March, 1972.

⁶This is clearly demonstrated by the Central Statistical Office data contained in the *Monthly Digest of Statistics*, *op. cit.* In 1963 the annual average earnings of African employees in the Agriculture and Forestry sector is given as \$122 (current prices) whilst for 1972 the average earnings are shown as \$124. Between 1963 and 1972 the African consumer price index rose 23 points, or 23.5 per cent.

⁷That the "African Areas" have been operating as a labour reservoir, or "accommodation mechanism" is explicitly recognised in Rhodesia, *Report by J. L. Sadie on Planning For the Economic Development of Rhodesia*, C.S.R. 35-1967, Government Printer, Salisbury, p. 7.

⁸See P. S. Harris, "Economic Incentive and European Immigration", *Rhodesia Journal of Economics*, Vol. 6, No. 3, September, 1972, for a comprehensive critique of the inadequate basis of cost/benefit analysis underlying the existing immigration policy.

⁹Harry Dunlop, *op. cit.*, provides an historical survey of the inadequacies of rural development policies for the "African Areas".

¹⁰For example, the Act contains, *inter alia*, the following provision: "No servant bound to perform domestic services may lawfully refuse to accompany his Master on any journey within Southern Rhodesia. No servant may lawfully refuse to go on any journey within Southern Rhodesia on which his Master orders him to go, or to be in charge of, or to drive, herd, tend or take care of any carriage, horse or any kind of cattle, horned or otherwise". *Master and Servants Act*, 29th November, 1901, as amended by Act No. 32 of 1965, Section 25 (1) and (2).

¹¹For instance, between 1968-69 and 1972-73 a sum of \$74.03 million has been provided for the subsidization of losses incurred by the Tobacco Corporation. These subsidies directly aid a small number of European tobacco producers. By contrast, the Tribal Trust Land Development Corporation, in the same period, received a sum of \$2.8 million (or 3.8 per cent of the amount provided to the Tobacco Corporation) for the development of millions of persons in the rural areas. See Rhodesia, *Budget Statements* 1972, Cmd, R.R. 40-1972, Government Printer, p. 45.

¹²It is a sad reflection on the state of management of the Rhodesian economy and on Government's labour policy that there has been no Poverty Datum Level study since the publication of the findings on the PDL by Dr. D. G. Bettison for 1957 in Southern Rhodesia, *Report of the Urban African Affairs Commission* 1958, Government Printer, Salisbury.



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